


PUERTO RICAN LEGAL DEFENSE
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TO: Board of Directors
FROM: Linda Flores 
President
SUBJECT: President's Report
DATE: January 4, 1987

This memorandum provides highlights of The Fund's activities in the last quarter of 1987 and includes a discussion of A) programmatic initiatives, B) administration and management, and C) fundraising. The 1987 Annual Report of Activities provides a detailed description of The Fund's programmatic work during calendar year 1987.

A. Program

1. The Legal Division

New York City Board of Estimate Restructuring

Under the 1986 Morris v. Board of Estimate case, Federal District Court Judge Neaher ordered the restructuring of the New York City Board of Estimate because of its violation of the one person, one vote principle. Presently, The Fund is investigating the various options for changing the City's political structure to provide increased Latino voter participation and representation at the local level. This investigation is conducted with an eye towards litigation either through intervention in the case itself, which is currently on appeal, or through the initiation of new litigation under the Voting Rights Act.

NYCCELP v. Koch (1987-RR)

The Fund is lead counsel in this class action which seeks to compel the City of New York to enforce health and administrative code provisions including sanctioning of landlords who fail to remove lead-based paint from residential apartments; the greatest concentrations of buildings with lead paint violations are in neighborhoods where predominantly Puerto Rican and Black residents reside. Prior counsel defeated the City's motion to dismiss the action, and the City has appealed.

The City perfected its appeal from the denial of its motion to dismiss. We have thirty (30) days to submit the answering brief. In the meantime, we have met with plaintiffs and discussed various alternative strategies, one of which is to draft proposed lead paint regulations for the City's adoption.

Housing Justice Campaign

The Fund is part of a legal team drafting a complaint to challenge the City of New York's announced ten year, \$4.2 billion housing plan. Although promoted as a low and moderate income housing plan, the ten year plan in fact excludes most low and moderate income families with up to \$25,000 incomes annually and favors middle income families with incomes up to \$48,000. This plan will likely have gentrifying effects throughout New York City, and significantly depletes large numbers of City-owned buildings and land which will be used to create this housing. Puerto Rican New Yorkers will largely be excluded from this project since their incomes are not high enough to qualify.

Major plans such as this must be reviewed at City-wide public hearings under various provisions of the New York City Charter, and the City of New York is required to evaluate the potential effects of such plans upon low and moderate income New Yorkers. The City has failed to comply with this requirement.

The proposed lawsuit seeks to have the City comply with the City Charter and with State environmental laws and seeks as well to have the City utilize public subsidies to serve low and moderate families.

Special Education Litigation

Puerto Rican parents from Brooklyn have contacted The Fund regarding the misclassification of their children for special education classes in public schools.

The Fund is exploring its potential involvement in District 20 in Brooklyn in the special education problems affecting Puerto Rican students in this district. At issue is a documented pattern of misclassification and misplacement of Puerto Rican students who are referred, assessed, classified and placed into special education classes. The misclassification results from misdiagnosis by school officials, language differences, lack of appropriate training for diagnosticians, or a combination thereof. The parents have secured, at their own expense, independent psychological diagnoses which differ substantially from those of school officials. In about 2½ years of work, Concerned Parents, a Puerto Rican parent group, has handled 40 individual cases and in every case but one, the district has upgraded the placement of the child given the divergent diagnoses.

Misclassification not only stigmatizes children, but it virtually locks them into special education for most of their education life because of the difficulty in securing reclassification by the Board of Education. Moreover, the parents claim that special education children do not receive bilingual services or quality education.

The Fund has met with the independent psychologists in its efforts to explore the viability of fashioning impact litigation in this area. Also, The Fund has been requested to examine similar claims of misclassification in the Great Neck School system.

Conference of Latino Legal Defense Funds

The Fund initiated the planning for the historic conference of lawyers from The Fund, MALDEF, and the META Project. The initial conference will be held in Los Angeles in mid January 1988, immediately following the annual meeting of the Inter University Program for Latino Research (IUP) in San Francisco. As a result, IUP members will be able to join in our discussion in Los Angeles. Lawyers from MALDEF, META and The Fund will be traveling from throughout the country to participate.

The first conference will focus on language policy and language rights with an eye toward identifying legal strategies to defeat The English Only movement. Additionally, conferees will spend time planning future meetings and agenda for discussion and colloborative work in other substantive areas of law. For your reference, the agenda for the meeting is provided as Attachment I.

2. Education Division

The Education Division has remained involved in the areas of Pre-admissions, Post-admissions and Professional Development. The work of the Division has increased steadily during the year and the quality of services to our students has improved significantly under the supervision of our new Director.

The Fund's pre-admissions counseling work has centered around assisting law school candidates who have questions about the admissions process, scholarships and financial aid availability. The counseling caseload has increased from 170 students in 1985 to over 600 students in 1987.

Since June of this year, the LSAT Preparatory Course has undergone some modification. Given limited resources and special student needs, the application procedure is now based on educational and financial disadvantage. The caseload for this course has increased from 217 participants in 1985 to more than 300 in 1987.

The Personal Statement Course has also been expanded during 1987 because of the serious writing problems evidenced by the participants. An additional session provides students with a final and individualized review of the essay. In 1987 over 100 personal statements were critiqued.

The Law Day continues to be an effective forum for servicing students. In 1987 some 250 prospective law students participated and over 64 law schools were represented, an increase of 30% in law schools represented.

Other areas of work such as the CAPSFAS Workshop, Law School Liaison Program and the Pre-Law Manual continue to be effective and highly utilized services.

In the Post-Admissions area, the Scholarship Program, the Legal Internships, and the Network of Latino Law Students are being strengthened to provide the necessary support for facilitating completion of law school.

Finally, the Division's Professional Development work has focused on updating the Directory of Latino Attorneys and Law Graduates and reviving the Legal Employment Opportunity Newsletter and Resume Back. Efforts to secure funding for the Moot Court Competition are also underway.

The Division has also fostered community outreach activities through extensive involvement in seminars, workshops and career day activities.

B. Administration and Management

Activities to enhance the productivity and efficiency of the organization by strengthening administrative processes and system include the following:

1. Collective Bargaining Negotiations

In the early fall of 1987, collective bargaining negotiations were renewed for 1987 salary increases, to which 1988 increases and renewal of the collective bargaining agreement, scheduled to expire on December 31, 1987, were added. The salary package for both union and management

staff has been provided in Item 2 under the Finance Committee's Report.

Renegotiation of a collective bargaining agreement effective January 1, 1988 through December 31, 1990 has been largely completed, however, there remain a handful of issues on which we have not agreed. Negotiation on the outstanding items continue and we expect closure on these matters in the near future, after which time the agreement will be presented to the Board and Union for approval.

2. Personnel Manual

A draft of a personnel manual has been recently completed and is being forwarded to Ernest Collazo, Chairman of the Personnel and Compensation Committee, for review by the committee. It should be noted, however, that the open items in the negotiations between union and management may require minor modification of the manual once these items have been resolved.

3. Computerization of Support Systems

With the assistance of Board member William Callejo, we have initiated discussion with IBM to explore the contribution/loan of computer equipment to enhance administrative functions of the organization. Although a tentative commitment for at least one system and possibly two has been made, a change in staff at IBM will result in some delay in finalizing the delivery of the equipment.

4. Organizational Review

The organizational review being conducted by Professor Robert McKay on behalf of the Rockefeller Foundation has been completed; a copy of the draft report is appended as Attachment II. In summary, the Report recommends continued support by the foundation of the organization.

It should be noted that two particular points have been raised with both Professor McKay and Dr. Bruce Williams, The

Fund's Program Officer at the foundation. The first involves the comment regarding Board members' lack of direct financial contribution (p. 10); it has been clarified that Board members do in fact contribute financially to our special fundraising events and, further, other intangible contributions made by Board members are often more valuable. The second explains the statement that relations between administration and the union remain somewhat uneasy (p.11). To allay undue concerns, it has been explained that the uneasiness results from the new context in which we are learning to function, that of union and management, and the attendant limitations imposed thereby. It has also been pointed out that in three years, we have had no issues which have gone to arbitration because of our inability to resolve differences internally.

The second phase of the review consists of a financial/management review by Price Waterhouse which will be scheduled in the first six (6) months of 1988. In the interim, continued funding is envisioned by the foundation.

C. Fundraising

The following discussion sets forth our efforts to stabilize the financial base of the organization:

A top priority during this fiscal year has been the retention of full-time development staff for the organization. As mentioned in my memorandum to the Board of September 20, 1987, negotiations with Greater New York Fund had been initiated to secure funding for this purpose. The total amount of the funding request over a three-year period amounts to \$137,250 distributed as follows: \$48,800 in the first year, \$45,750 in the second year and \$42,700 in the last year covered by the grant. The decision on our request will be made in late January 1988. A copy of the proposal is provided in Attachment III.

With regard to other fundraising efforts, the following discussion provides a status report on each category of funding.

1. Foundations

Efforts in this fiscal year have focused on solidifying the continued funding from the Carnegie Corporation of New York and the Rockefeller Foundation.

Regarding the former, I am pleased to report that the Carnegie Corporation on October 15, 1987, awarded a grant in support of our Education Rights Project in the amount of \$450,000 over a three-year period. Further, the award was made retroactive to July 1, 1987 and provides a schedule of payments designed to assist the organization's cash flow: \$178,500 in FY 1988; \$152,250 in FY 1989 and \$119,250 for FY 1990.

A multi-year funding commitment from the Rockefeller Foundation remains outstanding. This in large measure will continue to be the case until the full organizational review is completed. As mentioned earlier in this report, the first phase, conducted by Professor Robert McKay has been completed; the second phase, to be conducted by Price Waterhouse, is projected for the Spring of 1988, although specific dates have yet to be negotiated.

Inasmuch as the full review is a prerequisite to a long-term funding commitment, Dr. Bruce Williams, The Fund's Program Officer at the foundation, has indicated that interim funding at last year's level of \$100,000 is being recommended to the Board at its April 1988 meeting. Once the full review is completed The Fund would be eligible for a stabilization grant from the foundation.

The major thrust of the stabilization initiative is to provide a significant pot of monies which the recipient organization can invest and avail itself of the interest income, and to a limited extent the principal, for purposes of addressing cash flow fluctuations. At the conclusion of

the five-year period, the organization would not be precluded from applying for further assistance from the foundation. However, it should be noted that because of the sizable allocations associated with the stabilization initiative, only one such grant will be made each year. At the April meeting, the Mexican American Legal Defense and Educational Fund's application for a stabilization grant will be recommended for funding.

Additionally, The Fund submitted a proposal to the New World Foundation early this fall for renewed funding in the amount of \$25,000 for each of two years. Although consideration and action was originally scheduled for December 1987, the foundation deferred consideration until its March 1988 meeting while it evaluated its stock portfolio. For budget purposes, it should be observed that funding from the New World Foundation was not included in the FY 1988 projection of income, hence favorable action on our request represents unanticipated income.

With the assistance of Board member Amy Vance, we have also begun efforts to expand our base of foundation support, starting with lapsed donors.

2. Corporations

The area of corporate support of the work of The Fund requires greater cultivation. For FY 1988, we have targeted \$129,750 of which \$46,700 has been received to date. Attachment IV provides a detailed profile of the status of The Fund's corporate solicitation program based upon our FY 1988 projections. As you will note, only one request for funding has been denied to date.

With the assistance of Board member Alba Rovira Paoli, we have added the Irving Trust Company as a potential contributor in this fiscal year and Martin Zuckerman has helped with Chemical Bank. Any additional corporate sources with which you can assist us would be appreciated.

3. Attorney's Fees

The budget projections of income from attorneys fees had been projected at \$281,000, a large portion of which (\$227,000) has been generated by the Huertas litigation. This litigation has not been definitively settled by the parties and a challenge by defendants on the relief is anticipated, thus delaying the award of attorneys fees. We anticipate no other difficulties in securing projected awards.

Attorneys fees constitute the major weakness in The Fund's budget. The inherent unpredictability in the size and time of receipt as well as the non-recurring nature of attorneys fees argues urgently for the initiation of development initiatives to address this vulnerability in The Fund's budget.

4. Annual Dinner

The Board of Directors' special fundraising event is the Annual Dinner. The Chairman of the Development Committee, Miguel Garcia, will present a status report on the Annual Dinner at the meeting.

5. Salsa Disco Fundraiser

The Staff's special fundraising event is currently being organized and is scheduled for the Spring of 1988.

6. Public Interest Law Center (PILC)

The four members of the Public Interest Law Center who have yet to move forward in exercising the condominium purchase option for their respective office spaces have jointly submitted a proposal to several funding sources requesting support for the retention of staff to spearhead the capital campaign (see Attachment V). It appears likely that The Ford Foundation will provide two-thirds of the requested amount, with the remainder contributed by one of

the other sources contacted such as the New York Community Trust.

In addition, alternative funding options have been explored, such as commercial loans, for part of the purchase price. This option would appear viable if and only if a guarantor could be secured. Discussions with The Ford Foundation have been initiated to discuss this possibility. It should be noted that the loan amounts would be based on each organization's current rental costs to insure its ability to service the debt. Of course, any concrete developments in this area will be presented to the Board for its full consideration and authorization.

Your vigorous involvement in efforts to strengthen the programmatic, administrative and funding posture of The Fund is encouraged.

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